

HOUSE SUBSTITUTE
FOR
HOUSE COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1143

AN ACT

To repeal sections 135.478, 135.481, 135.484,
135.487, and 135.530, RSMo, and to enact in
lieu thereof twenty-one new sections relating
to community development projects.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

Section A. Sections 135.478, 135.481, 135.484, 135.487, and
135.530, RSMo, are repealed and twenty-one new sections enacted
in lieu thereof, to be known as sections 68.200, 68.202, 68.204,
68.206, 68.208, 68.210, 68.212, 68.214, 68.216, 68.218, 68.220,
68.222, 68.224, 68.226, 68.228, 68.230, 135.478, 135.481,
135.484, 135.487, and 135.530, to read as follows:

68.200. Sections 68.200 to 68.230 shall be known and may be
cited as the "Riverfront Development District Act".

68.202. For purposes of sections 68.200 to 68.230, unless
the context clearly requires otherwise, the following terms shall
mean:

(1) "Blighted area", an area which:

(a) The port authority has found that, such area on the

1 whole, by reason of the predominance of defective or inadequate
2 street layout, insanitary or unsafe conditions, deterioration of
3 site improvements, improper subdivision or obsolete platting, or
4 the existence of conditions which endanger life or property by
5 fire and other causes, or any combination of such factors,
6 retards the provision of housing accommodations or constitutes an
7 economic or social liability or a menace to the public health,
8 safety, morals, or welfare in its present condition and use; or

9 (b) Has been declared blighted or found to be a blighted
10 area pursuant to Missouri law including, but not limited to,
11 chapter 353, RSMo, sections 99.300 to 99.715, or sections 99.800
12 to 99.865, RSMo;

13 (2) "Development plan", the comprehensive program of the
14 port authority for the development of a riverfront development
15 district, which plan conforms to the requirements set forth in
16 section 68.206;

17 (3) "District" or "riverfront development district", a
18 contiguous area designated by the port authority, which at the
19 time it is established constitutes a blighted area and contains
20 three or four contiguous census tracts, each of which census
21 tracts must adjoin the banks of the Missouri River and must
22 contain, or be bounded by, a minimum of two bridges crossing the
23 Missouri River, at least two of which census tracts must be
24 included in a distressed community as defined in section 135.530,

1 RSMo, at least one of which census tracts must contain a historic
2 district, at least one of which census tracts must contain
3 property for which an application for voluntary remediation has
4 been approved by the department of natural resources pursuant to
5 sections 260.565 to 260.575, RSMo, and at least one of which
6 census tracts must contain a single family home at least fifty
7 years old which is located within three-fourths of one mile of
8 the banks of the Missouri River;

9 (4) "Economic activity taxes", the total additional revenue
10 from taxes which are imposed by the taxing districts and which
11 are generated by economic activities within each project area
12 over the amount of such taxes generated by economic activities
13 within such project area in the calendar year before the adoption
14 of the resolution designating such project area; provided such
15 revenues shall not include special assessments, taxes levied
16 pursuant to section 70.500, RSMo, and any such revenues to be
17 deposited to a special allocation fund pursuant to a
18 redevelopment plan originally adopted, before the establishment
19 of the riverfront development district, pursuant to sections
20 99.800 to 99.865, RSMo;

21 (5) "Local net new revenues", include payments in lieu of
22 taxes, economic activity taxes, and sales taxes, if any, imposed
23 pursuant to section 68.222;

24 (6) "Municipality", the city or county which formed the

1 port authority pursuant to this chapter;

2 (7) "Net new revenue fund", the net new revenue fund of the
3 port authority required to be established pursuant to section
4 68.216, which fund shall contain at least four separate
5 segregated accounts into which payments in lieu of taxes are
6 deposited in one account, economic activity taxes are deposited
7 in a second account, state sales taxes and withholding taxes are
8 deposited into a third account, sales taxes, if any, imposed
9 pursuant to section 68.222 are deposited into a fourth account;
10 and other revenues, if any, received by the port authority for
11 the purpose of implementing the development plan or a project are
12 deposited in a fifth account; provided, however, special
13 assessments levied pursuant to section 68.224 shall not be
14 deposited to any account within the net new revenue fund;

15 (8) "Net new revenues", include payments in lieu of taxes,
16 economic activity taxes, sales taxes, if any, imposed pursuant to
17 section 68.222, state sales taxes, and withholding taxes;

18 (9) "Obligations", bonds, loans, debentures, notes, special
19 certificates, or other evidences of indebtedness issued for the
20 purpose of financing qualified project costs;

21 (10) "Payments in lieu of taxes", those revenues from real
22 property in each project area, which taxing districts would have
23 received had the port authority not established such project
24 area, and which would result from levies made after the time of

1 the establishment of the project area during the time the current
2 total equalized assessed value of real property in such project
3 area exceeds the total initial equalized assessed value of real
4 property in such project area until the designation of such
5 project area is terminated pursuant to section 68.218; provided
6 such revenues shall not include any such revenues to be deposited
7 to a special allocation fund pursuant to a redevelopment plan
8 originally adopted, before the establishment of the riverfront
9 development district, pursuant to sections 99.800 to 99.865,
10 RSMo;

11 (11) "Port authority", a political subdivision established
12 pursuant to this chapter which has a port district located in any
13 home rule city with more than four hundred thousand inhabitants
14 and located in more than one county;

15 (12) "Project", any development project within a district
16 established by the port authority in furtherance of the
17 objectives of the development plan;

18 (13) "Project area", an area within the district
19 established by resolution of the port authority as the
20 geographical boundaries of a project, which area shall be legally
21 described in the resolution establishing such area;

22 (14) "Qualified project costs", include any and all
23 reasonable or necessary costs incurred or estimated to be
24 incurred by the port authority, or a person or entity authorized

1 by the port authority, in furtherance of the development of the
2 district. Such costs include, but are not limited to, the
3 following:

4 (a) Costs of studies, surveys, plans, and specifications;

5 (b) Professional service costs, including, but not limited
6 to, architectural, engineering, legal, marketing, financial,
7 planning, and special services;

8 (c) Administrative fees and costs of the port authority in
9 carrying out the purposes of sections 68.200 to 68.230 in a total
10 amount not to exceed five percent of the net new revenues
11 deposited to the net new revenue fund;

12 (d) Property assembly costs, including, but not limited to,
13 acquisition of land and other property, real or personal, or
14 rights or interests therein, demolition of buildings, and the
15 clearing and grading of land;

16 (e) Costs of rehabilitating, reconstructing, maintaining,
17 repairing, and remodeling of existing buildings and fixtures;

18 (f) Costs of exercising the powers and duties of the port
19 authority pursuant to sections 68.200 to 68.230;

20 (g) Costs of construction of public works or improvements;

21 (h) Financing costs, including, but not limited to, all
22 necessary and incidental expenses related to the issuance of
23 obligations, and which may include capitalized interest on any
24 such obligations and reasonable reserves related to any such

1 obligations;

2 (i) All or a portion of a taxing district's capital costs
3 resulting from the project necessarily incurred or to be incurred
4 in furtherance of the objectives of the project, to the extent
5 the port authority by written agreement accepts and approves such
6 costs; and

7 (j) Relocation costs to the extent that a port authority
8 determines that relocation costs shall be paid or are required to
9 be paid by federal or state law;

10 (15) "State net new revenues", include state sales taxes
11 and withholding taxes;

12 (16) "State sales taxes", the incremental increase in the
13 general revenue portion of state sales tax revenues received
14 pursuant to section 144.020, RSMo, excluding sales taxes that are
15 constitutionally dedicated, taxes deposited to the school
16 district trust fund in accordance with section 144.701, RSMo,
17 sales and use taxes on motor vehicles, trailers, boats, and
18 outboard motors, and generated within each project area above the
19 amount of such revenues received in the calendar year before the
20 establishment of such project area. In the event a retail
21 establishment relocates from an existing site located within the
22 state to any such project area, for purposes of such retail
23 establishment, "state sales taxes" shall mean the incremental
24 increase in the general revenue portion of state sales tax

1 revenues received from such retail establishment pursuant to
2 section 144.020, RSMo, excluding sales taxes that are
3 constitutionally dedicated, taxes deposited to the school
4 district trust fund in accordance with section 144.701, RSMo,
5 sales and use taxes on motor vehicles, trailers, boats, and
6 outboard motors, above the amount of such revenues received from
7 such retail establishment at the location from which it relocated
8 in the calendar year before the closing of its store at such
9 location;

10 (17) "Taxing district", any political subdivision of this
11 state having the power to levy taxes, which political subdivision
12 is located wholly or partially within the riverfront development
13 district, as proposed or established;

14 (18) "Total equalized assessed value", in regard to a
15 project area, the most recently ascertained equalized assessed
16 value of each taxable lot, block, tract, or parcel of real
17 property within such project area;

18 (19) "Total initial equalized assessed value", in regard to
19 a project area, that amount certified by the county assessor
20 which equals the total equalized assessed value of such project
21 area during the calendar year preceding the year of the adoption
22 of the resolution establishing such project area; and

23 (20) "Withholding taxes", the state income tax withheld on
24 behalf of employees by an employer pursuant to section 143.191,

1 RSMo, which employer is located in a project area. In the case
2 of an employer that relocates its business to a project area from
3 another location within the state, "state income tax withheld"
4 shall mean only the incremental increase in such tax withheld
5 above the amount of such tax withheld by such employer during the
6 calendar year before such relocation. In the case of an employer
7 that was located in a project area at the time the resolution
8 establishing such project area is adopted, "state income tax
9 withheld" shall mean only the incremental increase in such tax
10 withheld above the amount of such tax withheld by such employer
11 during the calendar year before the adoption of such resolution.

12 68.204. 1. A port authority may, by resolution, establish
13 a riverfront development district, approve a development plan,
14 approve one or more projects, and establish a project area for
15 each project.

16 2. No riverfront development district shall be established
17 without a finding by the port authority that such district has
18 not been subject to growth and development on the whole by
19 private enterprise except with the help of public assistance
20 pursuant to chapter 99, RSMo, or chapter 353, RSMo, and would not
21 reasonably be anticipated to be developed on the whole without
22 the adoption of the development plan and public assistance
23 pursuant to sections 68.200 to 68.230.

24 3. Upon the adoption of a resolution establishing a

1 riverfront development district, the port authority shall submit
2 such resolution to the clerk of the municipality. The
3 municipality may, by ordinance introduced within ninety days from
4 the adoption of such resolution, authorize the establishment of
5 such district. No resolution establishing a riverfront
6 development district shall become effective unless and until the
7 municipality by ordinance authorizes the establishment of such
8 district.

9 4. No development plan shall be approved without the
10 establishment of a riverfront development district, and no
11 development project shall be approved without the establishment
12 of a project area for such project and the approval of the
13 development plan; provided, however, the establishment of a
14 riverfront development district, approval of the development
15 plan, approval of one or more projects, and the establishment of
16 project areas may occur simultaneously. No project shall be
17 approved more than fifteen years following the approval of the
18 development plan.

19 5. No riverfront development district shall be established
20 and no development plan shall be approved until after a public
21 hearing is held in accordance with section 68.210.

22 68.206. The development plan shall set forth in writing its
23 objectives, a general description of the program to be undertaken
24 to accomplish such objectives, and shall include, but not

1 necessarily be limited to, a general description of the
2 anticipated types of projects that may be approved to implement
3 the development plan, a general description of the public
4 improvements anticipated to be completed to meet the objectives
5 of the development plan, an estimate of the anticipated qualified
6 project costs, an estimate of the net new revenues to be
7 generated within the riverfront development district, a plan for
8 assisting the relocation, if any, of businesses or residences
9 located in the district as may be necessary to implement the
10 development plan, and an analysis showing the economic impact on
11 each affected taxing district if the development plan is
12 implemented and if it is not implemented.

13 68.208. Each project shall set forth in writing a general
14 description of the private and public improvements to be
15 completed, the estimated qualified project costs, the anticipated
16 sources of funds to pay such qualified project costs, the
17 anticipated type and term of the obligations, if any, to be
18 issued to finance such qualified project costs, an estimate of
19 the net new revenues to be generated within the project area for
20 such project, the estimated total initial equalized assessed
21 value of such project area, an estimate as to the equalized
22 assessed valuation of such project area after the improvements
23 within such project area are completed, a legal description of
24 such project area, and the general land uses to apply in such

1 project area.

2 68.210. 1. Before the adoption of a resolution
3 establishing a riverfront development district or approving a
4 development plan, the port authority shall fix a time and place
5 for a public hearing and notify each taxing district. Such
6 notice shall comply with the provisions of section 68.212.

7 2. At the public hearing any interested person or affected
8 taxing district may file with the authority written objections
9 to, or comments on, and may be heard orally in respect to, any
10 issues embodied in the notice. The port authority shall hear and
11 consider all protests, objections, comments, and other evidence
12 presented at the hearing. The hearing may be continued to
13 another date without further notice other than a motion to be
14 entered upon the minutes fixing the time and place of the
15 subsequent hearing.

16 3. Before the conclusion of the hearing, changes may be
17 made in the development plan or riverfront development district,
18 provided that such changes are available in writing at the public
19 hearing. After the public hearing but before the adoption of a
20 resolution establishing the riverfront development district or
21 approving the development plan, whichever the case may be,
22 changes may be made to any such proposed development plan or
23 district without a further hearing, if such changes do not
24 enlarge the exterior boundaries of the district or do not

1 substantially affect the general type of projects described in
2 the development plan, provided that notice of such changes shall
3 be given by mail to each affected taxing district and by
4 publication in a newspaper of general circulation in the
5 district, not less than ten days before the adoption of the
6 changes by resolution. After the adoption of a resolution
7 designating the district or approving the development plan, no
8 resolution shall be adopted altering the exterior boundaries of
9 the district and affecting the general type of projects described
10 in the development plan without holding a public hearing in
11 accordance with this section.

12 4. One public hearing may be held for the simultaneous
13 consideration of the district and the development plan.

14 68.212. 1. Notice of the public hearing required by
15 section 68.210 shall be given by publication. Notice by
16 publication shall be given by publication at least twice, the
17 first publication to be not more than thirty days and the second
18 publication to be not more than ten days before the hearing, in a
19 newspaper of general circulation in the proposed district.

20 2. The notices issued pursuant to this section shall
21 include the following:

22 (1) The time and place of the public hearing;

23 (2) The general boundaries of the riverfront development
24 district by street location, where possible;

1 (3) A statement that all interested persons shall be given
2 an opportunity to be heard at the public hearing;

3 (4) A description of the development plan, as applicable,
4 and a location and time where the entire development plan may be
5 reviewed by any interested party; and

6 (5) Such other matters as the port authority may deem
7 appropriate.

8 3. Not less than forty-five days before the date set for
9 the public hearing, the port authority shall give notice by mail
10 as provided in subsection 1 of this section to each taxing
11 district, and in addition to the other requirements pursuant to
12 subsection 2 of this section, the notice shall include an
13 invitation to each taxing district to submit comments to the port
14 authority concerning the subject matter of the hearing prior to
15 the date of the hearing.

16 68.214. In addition to and without limiting the powers of
17 the port authority set forth in this chapter, the port authority
18 shall have all the powers necessary to carry out and effectuate
19 the purposes and provisions of sections 68.200 to 68.230,
20 including, but not limited to, the following:

21 (1) To exercise any of its powers set forth in this chapter
22 as necessary or desirable to carry out and effectuate the
23 purposes of sections 68.200 to 68.230;

24 (2) To fix, charge, and collect fees, rents, and other

1 charges for use of any of the port authority's real or personal
2 property, or any interest therein;

3 (3) To loan the proceeds of obligations or other funds it
4 receives;

5 (4) To make expenditures, create reserve funds, and use all
6 or any portion of any funds it receives to pay for qualified
7 project costs or reimburse qualified project costs incurred, or
8 otherwise as necessary to carry out and effectuate the purposes
9 of sections 68.200 to 68.230;

10 (5) To pledge all or any part or any combination of net new
11 revenues, or mortgage all or any part of any project to secure
12 obligations;

13 (6) To enter into one or more agreements with the
14 municipality for the purpose of abating any public nuisance
15 within the boundaries of the district including, but not limited
16 to, the stabilization, repair or maintenance, or demolition and
17 removal of buildings or structures;

18 (7) Within the district, to provide assistance to or to
19 construct, reconstruct, install, repair, maintain, operate, and
20 equip any of the following improvements:

21 (a) Historical exhibits, arenas, aquariums, aviaries,
22 educational attractions, cultural attractions, and any other
23 facilities supporting or attracting tourism;

24 (b) Recreational parks and facilities, sidewalks,

1 pedestrian paths, streets, alleys, bridges, ramps, tunnels,
2 overpasses, underpasses, and other transportation improvements,
3 traffic signs and signals, utilities, drainage, water, storm and
4 sewer systems, and other site improvements, including any such
5 improvements located outside the district as necessary to support
6 development within the district;

7 (c) Industrial parks, terminals, terminal facilities,
8 warehouses, office parks, and mixed-use facilities;

9 (d) Parking lots, garages, and other facilities;

10 (e) Telephone and information booths, bus stop and other
11 shelters, rest rooms, and kiosks;

12 (f) Streetscape, lighting, benches or other seating
13 furniture, trash receptacles, marquees, awnings, canopies, walls,
14 and barriers;

15 (g) Parks, green space, trees, and any other landscape;

16 (h) Lakes, dams, waterways, wetlands, and other water
17 features;

18 (i) Paintings, murals, display cases, sculptures, and
19 fountains;

20 (j) Convention centers and meeting facilities;

21 (k) Residential and commercial developments;

22 (l) Pedestrian or shopping malls and plazas;

23 (m) Music, news, and child-care facilities; and

24 (n) Any other useful, necessary, or desired improvement;

1 (8) Within the district, to prohibit or restrict vehicular
2 and pedestrian traffic and vendors on streets, alleys, malls,
3 bridges, ramps, sidewalks, and tunnels and to provide the means
4 for access by emergency vehicles to or in such areas;

5 (9) Within the district, to operate or to contract for the
6 provision of music, news, child-care or parking facilities, and
7 buses, minibuses, or other modes of transportation;

8 (10) Within the district, to lease space for sidewalk café
9 tables and chairs;

10 (11) Within the district, to provide or contract for the
11 provision of security personnel, equipment, or facilities for the
12 protection of property and persons;

13 (12) Within the district, to provide or contract for
14 cleaning, maintenance, and other services to public and private
15 property;

16 (13) To produce and promote any tourism, recreational, or
17 cultural activity or special event in the district by, but not
18 limited to, advertising, decorating of any public place in the
19 district, promoting of such activity and special events, and
20 furnishing music in any public place;

21 (14) To establish an endowment fund, with proceeds from
22 obligations or any other funds received by the port authority,
23 for the purpose of maintaining or operating any improvements
24 located within the district which are owned, leased, or operated

1 by the port authority;

2 (15) To support business activity and economic development
3 within the district including, but not limited to, the promotion
4 of business activity, development, and retention, and the
5 recruitment of developers and businesses;

6 (16) To impose sales taxes pursuant to section 68.222 and
7 levy special assessments pursuant to section 68.224;

8 (17) To appoint one or more advisory committees to the port
9 authority; and

10 (18) To contract for or conduct economic, planning,
11 marketing, or other studies.

12 68.216. 1. The port authority, after establishing a
13 riverfront development district, shall establish a net new
14 revenue fund for the district.

15 2. Immediately upon the adoption of a resolution
16 establishing a project area pursuant to sections 68.200 to
17 68.230, the county assessor shall determine the total initial
18 equalized assessed value of such project area and shall provide
19 to the port authority written certification of such amount.

20 3. In each of the twenty-five calendar years following the
21 adoption of a resolution establishing a project area pursuant to
22 sections 68.200 to 68.230, unless and until the establishment of
23 such project area is terminated by resolution of the port
24 authority, the ad valorem taxes and payments in lieu of taxes, if

1 any, arising from the levies upon taxable real property in such
2 project area by taxing districts at the tax rates determined in
3 the manner provided in section 68.220 shall be divided as
4 follows:

5 (1) That portion of taxes, penalties, and interest levied
6 upon each taxable lot, block, tract, or parcel of real property
7 in such project area which is attributable to the total initial
8 equalized assessed value of real property in such project area
9 shall be allocated to and, when collected, shall be paid by the
10 collecting authority to the respective affected taxing districts
11 in the manner required by law in the absence of the establishment
12 of such project area;

13 (2) Payments in lieu of taxes attributable to the increase
14 in the current total equalized assessed value of real property in
15 such project area and any applicable penalty and interest over
16 and above the total initial equalized assessed value of real
17 property in such project area shall be allocated to and, when
18 collected, shall be paid by the collecting officer to the port
19 authority and the port authority shall deposit such payments in
20 lieu of taxes into a separate segregated account for payments in
21 lieu of taxes in the net new revenue fund. Payments in lieu of
22 taxes which are due and owing shall constitute a lien against the
23 real property from which such payments in lieu of taxes are
24 derived and shall be collected in the same manner as real

1 property taxes, including the assessment of penalties and
2 interest where applicable. The lien of payments in lieu of taxes
3 may be foreclosed in the same manner as the lien of real property
4 taxes. No part of the current total equalized assessed value of
5 real property in any such project area attributable to any
6 increase above the total initial equalized assessed value of real
7 property in such project area shall be used in calculating the
8 general state school aid formula provided for in section 163.031,
9 RSMo, in each of the twenty-five calendar years following the
10 adoption of the resolution establishing such project area
11 pursuant to sections 68.200 to 68.230, unless and until the
12 establishment of such project area is terminated by resolution of
13 the port authority; and

14 (3) For purposes of this section, "levies upon taxable real
15 property in such project area by taxing districts" shall not
16 include the blind pension fund tax levied pursuant to the
17 authority of article III, section 38(b) of the Missouri
18 Constitution, or the merchants' and manufacturers' inventory
19 replacement tax levied pursuant to the authority of subsection 2
20 of section 6 of article X, of the Missouri Constitution.

21 4. In each of the twenty-five calendar years following the
22 adoption of a resolution establishing a project area pursuant to
23 sections 68.200 to 68.230, unless and until the establishment of
24 such project area is terminated by resolution of the port

1 authority, all of the economic activity taxes from such project
2 area shall be allocated to and, when collected, shall be paid by
3 the collecting officer to the port authority and the port
4 authority shall deposit such funds in a separate segregated
5 account for economic activity taxes within the net new revenue
6 fund; provided, however, in the event the resolution approving
7 the project for such project area specifies a percentage limit of
8 economic activity taxes from such project area to be deposited to
9 the net new revenue fund, then only such percentage shall be
10 allocated to, and paid by the collecting officer of any such
11 economic activity tax to, the port authority. The expenditure or
12 pledge of economic activity taxes deposited to the net new
13 revenue fund shall be subject to annual appropriation by the port
14 authority.

15 5. In each of the twenty-five calendar years following the
16 adoption of a resolution establishing a project area pursuant to
17 sections 68.200 to 68.230, unless and until the establishment of
18 such project area is terminated by resolution of the port
19 authority, all of the sales taxes from such project area imposed
20 pursuant to section 68.222 shall be allocated to and, when
21 collected, shall be deposited to a separate segregated account
22 for such sales taxes within the net new revenue fund. The
23 expenditure or pledge of such sales taxes deposited to the net
24 new revenue fund shall be subject to annual appropriation by the

1 port authority.

2 6. In each of the twenty-five calendar years following the
3 adoption of a resolution establishing a project area pursuant to
4 sections 68.200 to 68.230, unless and until the establishment of
5 such project area is terminated by resolution of the port
6 authority, the state net new revenues estimated to be generated
7 within such project area may be available for annual
8 appropriation by the general assembly to the state net new
9 revenue fund, from the general revenue fund, for distribution by
10 the department of revenue in accordance with this subsection;
11 provided that such appropriation shall only be made after the
12 port authority submits to the director of the department of
13 economic development a written certificate certifying the
14 estimated amount of state net new revenues to be generated in
15 such project area. A "state net new revenue fund" for each
16 riverfront development district shall be established by the
17 department of revenue. Subject to subsection 8 of this section
18 and the appropriation by the general assembly as required in this
19 subsection, the department of revenue shall, not less than
20 quarterly, pay state net new revenues generated within such
21 project area to the port authority and the port authority shall
22 deposit such funds in a separate segregated account for such
23 funds within the net new revenue fund; provided, however, such
24 payment by the department of revenue shall only be made after the

1 port authority annually submits to the department of revenue and
2 the director of the department of economic development a written
3 certificate certifying the estimated amount of revenues to be
4 deposited to the net new revenue fund for such calendar year and
5 that one hundred percent of the local net new revenues deposited
6 to the net new revenue fund are reasonably anticipated to be used
7 to pay or reimburse qualified project costs incurred or to be
8 incurred or to pay debt service on obligations; and provided that
9 the amount of state net new revenues paid by the department of
10 revenue pursuant to this section shall not, in any one calendar
11 year, exceed the sum total of the amount of the local net new
12 revenues to be deposited to the net new revenue fund for such
13 calendar year, the amount of special assessments collected in
14 such calendar year pursuant to section 68.224, and the amount of
15 ad valorem taxes abated on real property within the district for
16 such calendar year pursuant to chapter 353, RSMo, or sections
17 99.300 to 99.660, RSMo. On or before September first of each
18 year, the department of revenue and the port authority shall
19 reconcile all amounts deposited to the net new revenue fund for
20 the preceding calendar year and the port authority shall
21 reimburse any overpayments made by the department of revenue and
22 the department of revenue shall pay any shortfalls to the port
23 authority.

24 7. The department of revenue and each taxing district shall

1 remit to the agent designated by the port authority such records
2 and data necessary to verify the amount of net new revenues
3 generated in the district. The port authority shall be obligated
4 to maintain the confidentiality of any such data as is required
5 of the department of revenue or the remitting taxing district, as
6 applicable.

7 8. Before the department of revenue pays the port authority
8 any state net new revenue generated within any project area
9 pursuant to subsection 6 of this section, each of the following
10 must occur:

11 (1) The port authority must file with the director of the
12 department of economic development a copy of the resolution and
13 the ordinance establishing the riverfront development district, a
14 copy of the development plan, and a copy of the project for the
15 respective project area. A copy of any project may be submitted
16 simultaneously with, or at any time following submission of, the
17 resolution, ordinance, and development plan;

18 (2) Within forty-five days following receipt of information
19 submitted by the port authority pursuant to this subsection, the
20 director of the department of economic development shall review
21 such information received to determine, as applicable, that the
22 port authority has made the findings required by section 68.204
23 to establish the riverfront development district, the development
24 plan contains the information required by section 68.206, and the

1 project contains the information required by section 68.208. In
2 the event such requirements have been met, the director of the
3 department of economic development shall, within such forty-five
4 day period, issue a written certificate to the port authority and
5 the department of revenue certifying that such requirements have
6 been met. In the event such requirements have not been met, the
7 director of the department of economic development shall, within
8 such forty-five day period, issue a written certificate to the
9 port authority and the department of revenue certifying which
10 requirements have not been met, in which case the port authority
11 may resubmit the required information at a later date and the
12 director of the department of economic development shall review
13 such information pursuant to the requirements set forth in this
14 subsection for the original submission; and

15 (3) The director of the department of economic development
16 shall have issued, in accordance with subdivision (2) of this
17 subsection, the written certificate or certificates certifying
18 that such requirements for the applicable riverfront development
19 area, development plan, and project have been met.

20 68.218. 1. When all qualified project costs and all
21 obligations have been paid in full, the port authority shall
22 adopt a resolution terminating the establishment of all project
23 areas, or the port authority may at any earlier time adopt a
24 resolution terminating the establishment of any project area

1 provided the authority determines that net new revenues generated
2 within such project area are no longer needed for the payment or
3 reimbursement of qualified project costs or the payment of
4 obligations. Immediately upon the adoption of a resolution
5 terminating the establishment of all project areas, all payments
6 in lieu of taxes, all economic activity taxes, and other net new
7 revenues then remaining in the net new revenue fund shall be
8 deemed to be surplus funds; and thereafter, the rates of the
9 taxing districts shall be extended and taxes levied, collected,
10 and distributed in the manner applicable in the absence of the
11 establishment of any such project area. Surplus payments in lieu
12 of taxes shall be paid to the county collector who shall
13 immediately thereafter pay such funds to the affected taxing
14 districts in the same manner and proportion as the most recent
15 distribution by the collector to the affected districts of real
16 property taxes from real property in the district. Surplus
17 economic activity taxes shall be paid to the affected taxing
18 districts in proportion to the then current levy rates of such
19 taxing districts that are attributable to economic activity
20 taxes. Surplus state sales taxes and withholding taxes shall be
21 paid to the state. Any other funds remaining in the net new
22 revenue fund following the adoption of a resolution terminating
23 the establishment of all project areas in accordance with this
24 section shall be deposited to the general fund of the

1 municipality.

2 2. Upon the payment of all qualified project costs,
3 retirement of obligations, and the distribution of any surplus
4 funds pursuant to this section, the port authority shall adopt a
5 resolution dissolving the net new revenue fund and terminating
6 the establishment of the riverfront development district as a
7 riverfront development district.

8 3. Nothing in sections 68.200 to 68.230 shall be construed
9 as relieving property in such district from paying a uniform rate
10 of taxes, as required by article X, section 3 of the Missouri
11 Constitution.

12 68.220. In each of the twenty-five calendar years following
13 the adoption of a resolution establishing a project area pursuant
14 to sections 68.200 to 68.230, unless and until the establishment
15 of such project area is terminated by resolution of the port
16 authority, then, in respect to every affected taxing district,
17 the county clerk, or any other official required by law to
18 ascertain the amount of the equalized assessed value of all
19 taxable property within such project area for the purpose of
20 computing any debt service levies to be extended upon taxable
21 property within such project area, shall ascertain the amount of
22 value of taxable property in such project area by including in
23 such amount the certified total initial equalized assessed value
24 of all taxable real property in such project area in lieu of the

1 equalized assessed value of all taxable real property in such
2 project area. For the purpose of measuring the size of payments
3 in lieu of taxes under sections 68.200 to 68.230, all tax levies
4 shall then be extended to the current equalized assessed value of
5 all property in such project area in the same manner as the tax
6 rate percentage is extended to all other taxable property in the
7 taxing district.

8 68.222. 1. The port authority may by resolution impose, in
9 accordance with this section, a sales tax on all retail sales
10 made within the riverfront development district which are subject
11 to taxation pursuant to sections 144.010 to 144.525, RSMo, except
12 such sales tax shall not apply to the sale or use of motor
13 vehicles, trailers, boats, or outboard motors, to any sales of
14 electricity or electrical current, water and gas, natural or
15 artificial, or to sales of service to telephone subscribers,
16 either local or long distance. Any sales tax imposed pursuant to
17 this section may be imposed at a rate of one-eighth of one
18 percent, one-fourth of one percent, three-eighths of one percent,
19 one-half of one percent, or one percent. Such sales tax may be
20 imposed for any district purpose designated by the port authority
21 in its ballot of submission to the qualified voters; except that,
22 no resolution adopted pursuant to this section shall become
23 effective unless the port authority submits to the qualified
24 voters, by mail-in ballot, a proposal to authorize a sales tax

1 pursuant to this section. If a majority of the votes cast by the
2 qualified voters on the proposed sales tax are in favor of the
3 sales tax, then the resolution shall immediately become
4 effective. If a majority of the votes cast by the qualified
5 voters are opposed to the sales tax, then the resolution is void.

6 2. As used in this section, "qualified voters" shall
7 consist of such persons who reside within the riverfront
8 development district and who are registered voters pursuant to
9 the records of the election authority as of the thirtieth day
10 before the date of the election.

11 3. Immediately upon the adoption of a resolution pursuant
12 to this section, the election authority shall:

13 (1) Specify a date upon which the election shall occur,
14 which date shall be a Tuesday, and shall be not earlier than the
15 tenth Tuesday, and not later than the fifteenth Tuesday, after
16 the date of the port authority's adoption of such resolution and
17 shall not be on the same day as an election conducted pursuant to
18 chapter 115, RSMo;

19 (2) Publish notice of the election in a newspaper of
20 general circulation within the municipality two times. The first
21 publication date shall be more than sixty days before the date of
22 the election and a second publication date shall be not more than
23 thirty days and not less than ten days before the date of the
24 election. The published notice shall include, but not be limited

1 to, the following information:

2 (a) The name and general boundaries of the district;

3 (b) The type of tax proposed, its rate, purpose, and
4 duration;

5 (c) The date the ballots for the election shall be mailed
6 to qualified voters;

7 (d) The date of the election;

8 (e) A statement that qualified voters means such persons
9 who reside within the riverfront development district and who are
10 registered voters pursuant to the records of the election
11 authority as of the thirtieth day before the date of the
12 election;

13 (f) A statement that persons residing in the district must
14 register to vote with the election authority on or before the
15 thirtieth day before the date of the election to be a qualified
16 voter for purposes of the election;

17 (g) A statement that the ballot must be returned to the
18 election authority's office in person or by depositing the ballot
19 in the United States mail, addressed to the election authority's
20 office and postmarked not later than the date of the election;
21 and

22 (h) A statement that any qualified voter that did not
23 receive a ballot in the mail or lost the ballot received in the
24 mail may pick up a mail-in ballot at the election authority's

1 office, specifying the date and time such ballot will be
2 available and the location of the election authority's office;
3 and

4 (3) Mail to each qualified voter not more than fifteen days
5 and not less than ten days before the date of the election,
6 together with a notice containing substantially the same
7 information as the published notice, a return addressed envelope
8 directed to the election authority's office with a sworn
9 affidavit on the reverse side of such envelope for the qualified
10 voter's signature. Such affidavit shall be in substantially the
11 following form:

12 I HEREBY DECLARE UNDER PENALTIES OF PERJURY THAT I RESIDE IN THE
13 (INSERT NAME) COMMUNITY IMPROVEMENT DISTRICT AND I AM A
14 REGISTERED VOTER AND QUALIFIED TO VOTE IN THIS ELECTION.

15 _____
16 Qualified Voter's Signature

17 _____
18 Printed Name of Qualified Voter

19 4. Each qualified voter shall have one vote. Each voted
20 ballot shall be signed with the authorized signature.

21 5. Mail-in ballots shall be returned to the election
22 authority's office in person or by depositing the ballot in the

1 United States mail addressed to the election authority's office
2 and postmarked no later than the date of the election. The
3 election authority shall transmit all voted ballots to a team of
4 judges of not less than four with an equal number from each of
5 the two major political parties. The judges shall be selected by
6 the municipal clerk from lists compiled by the election
7 authority. Upon receipt of the voted ballots, the judges shall
8 verify the authenticity of the ballots, canvas the votes, and
9 certify the results. Certification by the election judge shall
10 be final and shall be immediately transmitted to the election
11 authority. Any qualified voter who voted in such election may
12 contest the result in the same manner as provided in chapter 115,
13 RSMo.

14 6. The results of the election shall be entered upon the
15 records of the election authority and a certified copy of the
16 election results shall be filed with the municipal clerk, who
17 shall cause the same to be entered upon the records of the
18 municipal clerk.

19 7. The port authority shall reimburse the election
20 authority for the costs it incurs to conduct an election under
21 this section, which costs shall constitute a qualified project
22 cost.

23 8. The ballot shall be substantially in the following form:
24 Shall the (insert name of port authority) impose,

1 within the boundaries of the riverfront development district, a
2 sales tax at the maximum rate of (insert amount)
3 for a period of (insert number) years from the
4 date on which such tax is first imposed for the purpose of
5 providing revenue for (insert general description
6 of the purpose)?

7 YES []

NO []

8 If you are in favor of the question, place an "X" in the box
9 opposite of "Yes". If you are opposed to the question, place an
10 "X" in the box opposite "No".

11 9. Within ten days after the qualified voters have approved
12 the imposition of such sales tax, the port authority shall, in
13 accordance with section 32.087, RSMo, notify the director of the
14 department of revenue. The sales tax authorized by this section
15 shall become effective on the first day of the second calendar
16 quarter after the director of the department of revenue receives
17 notice of the adoption of such tax.

18 10. Pursuant to section 32.087, RSMo, the director of the
19 department of revenue shall collect any tax adopted pursuant to
20 this section.

21 11. In each district in which a sales tax is imposed
22 pursuant to this section, every retailer shall add such
23 additional tax imposed by the district to such retailer's sale

1 price, and when so added such tax shall constitute a part of the
2 purchase price, shall be a debt of the purchaser to the retailer
3 until paid, and shall be recoverable at law in the same manner as
4 the purchase price.

5 12. In order to allow retailers to collect and report the
6 sales tax authorized by this section as well as all other sales
7 and use taxes required by law in the simplest and most efficient
8 manner possible, the port authority may establish appropriate
9 brackets to be used in the district imposing a tax pursuant to
10 this section in lieu of the brackets provided in section 144.285,
11 RSMo.

12 13. The penalties provided in sections 144.010 to 144.525,
13 RSMo, shall apply to violations of this section.

14 14. All revenue received by the port authority from a sales
15 use tax imposed pursuant to this section shall be deposited to
16 the net new revenue fund in accordance with sections 68.200 to
17 68.230 and shall not be subject to sections 99.800 to 99.865,
18 RSMo, requiring any such tax to be deposited to a special
19 allocation fund pursuant to such sections. Upon the expiration
20 of any sales tax adopted pursuant to this section, all such sales
21 tax funds remaining in the net new revenue fund shall continue to
22 be used solely for the specific purpose designated in the
23 resolution adopted by the qualified voters.

24 15. A district may repeal by resolution any sales tax

1 imposed pursuant to this section before the expiration date of
2 such sales tax unless the repeal of such sales tax will impair
3 the district's ability to repay any liabilities the port
4 authority has incurred, money the port authority has borrowed, or
5 obligations the port authority has issued.

6 68.224. 1. In furtherance of the objectives of the
7 development plan, the port authority may levy by resolution one
8 or more special assessments against any portion of real property
9 within the district, upon receipt of and in accordance with a
10 petition signed by a majority of the owners of all real property
11 to be subject to such special assessment.

12 2. The special assessment petition shall be in
13 substantially the following form:

14 The port authority shall be authorized to levy a special
15 assessment against real property legally described on the
16 attached Exhibit A for the purpose of providing revenue for
17 (insert general description of specific service
18 and/or projects), such real property, such special assessment to
19 be levied against each tract, lot, or parcel of such real
20 property which receives special benefit as a result of such
21 service or projects, the cost of which shall be allocated among
22 this property by (insert method of
23 allocation, such as per square foot of property per square foot

1 on each square foot of improvement; by abutting foot of property
2 abutting streets, roads, highways, parks, or other improvements;
3 or any other reasonable method) in an amount not to exceed
4 dollars per (insert unit of measure). Such
5 authorization to levy the special assessment shall expire on
6 (insert date).

7 3. The method for allocating such special assessments set
8 forth in the petition may be any reasonable method which results
9 in imposing assessments upon real property benefited in relation
10 to the benefit conferred upon each respective tract, lot, or
11 parcel of real property and the cost to provide such benefit.
12 Such special assessment may be levied annually or in one lump sum
13 to be paid in one lump sum or in substantially equal annual
14 installments.

15 4. By resolution, the port authority may annually levy a
16 special assessment rate lower than the rate ceiling set forth in
17 the petition authorizing the special assessment and may annually
18 increase such lowered special assessment rate to a level not
19 exceeding the special assessment rate ceiling set forth in the
20 petition without further approval of the real property owners;
21 provided that a district imposing a special assessment pursuant
22 to this section may not repeal or amend such special assessment
23 or lower the rate of such special assessment if such repeal,
24 amendment, or lower rate will impair the district's ability to

1 pay any liabilities that it has incurred, money that it has
2 borrowed, or obligations that it has issued.

3 5. Each special assessment which is due and owing shall
4 constitute a perpetual lien against each tract, lot, or parcel of
5 property from which it is derived. Such lien may be foreclosed
6 in the same manner as any other special assessment lien as
7 provided in section 88.861, RSMo.

8 6. No special assessment levied by the port authority shall
9 be levied on any property exempt from taxation pursuant to
10 subdivision (5) of section 137.100, RSMo. Those owners of
11 property exempt pursuant to subdivision (5) of section 137.100,
12 RSMo, may voluntarily subject such property to a special
13 assessment by executing the petition authorizing such special
14 assessment.

15 7. A separate fund or account shall be created by the port
16 authority for each special assessment levied and each such fund
17 or account shall be identifiable by a suitable title. The
18 proceeds of such assessments shall be credited to such fund or
19 account. Such fund or account shall be used solely to pay the
20 costs incurred in undertaking the specified service or project.

21 8. Upon completion of the specified service or project or
22 both, the balance remaining in such fund or account established
23 for such specified service or project or both shall be returned
24 or credited against the amount of the original assessment of each

1 parcel of property pro rata based on the method of assessment of
2 such special assessment.

3 9. The authority of the port authority to levy special
4 assessments shall be independent of the limitations and
5 authorities of the municipality; specifically, section 88.812,
6 RSMo, shall not apply to the port authority.

7 10. The county collector of each county in which the
8 district is located shall collect the special assessments made
9 upon all real property within the district, in the same manner as
10 real property taxes are collected. If the special assessment is
11 based on something other than the assessed value of real
12 property, the district shall provide the information on which
13 such special assessment is based for all applicable real
14 property. Such county collector shall, on or before the
15 fifteenth day of each month and after deducting the reasonable
16 and actual cost of such collection but not to exceed one percent
17 of the total amount collected, remit to the port authority the
18 amount such special assessment collected before the first day of
19 such month. Upon receipt of such amount, the port authority
20 shall execute a receipt for such amount and forward such receipt
21 to such county collector.

22 68.226. By the last day of April each year, the port
23 authority shall report to the municipality concerning the status
24 of the development plan and the approved projects, and shall

1 submit a copy of such report to the director of the department of
2 economic development. The report shall include the following:

3 (1) The balance of each of the separate segregated accounts
4 within the net new revenue fund;

5 (2) The amount and purpose of expenditures from the net new
6 revenue fund;

7 (3) The amount of any pledge of net new revenues to secure
8 any outstanding obligations;

9 (4) For each project area established, the total initial
10 equalized assessed value of each such project area;

11 (5) For each project area established, the current total
12 equalized assessed value of each such project area;

13 (6) For each project area established, the amount of
14 payments in lieu of taxes, economic activity taxes, sales taxes
15 imposed pursuant to section 68.222, state sales taxes, and
16 withholding taxes deposited to the net new revenue fund for the
17 preceding calendar year and those amounts which were generated in
18 such year but not yet received and deposited to the net new
19 revenue fund; and

20 (7) Any other information the port authority deems
21 desirable.

22 68.228. No lawsuit to set aside a district or project area
23 established, development plan or project approved, or a tax
24 levied pursuant to sections 68.200 to 68.230 or to otherwise

1 question the validity of the proceedings related thereto shall be
2 brought after the expiration of ninety days from the effective
3 date of the resolution in question.

4 68.230. If any section, subsection, subdivision, paragraph,
5 sentence, or clause of sections 68.200 to 68.230 is, for any
6 reason, held to be invalid or unconstitutional, such decision
7 shall not affect any remaining portion, section, or part thereof
8 which can be given effect without the invalid provision.

9 135.478. As used in sections 135.481 to 135.487, the
10 following terms mean:

11 (1) "Department", the department of economic development;

12 (2) "Director", the director of the department of economic
13 development;

14 (3) "Distressed community", as defined in section 135.530;

15 (4) "Eligible costs for a new residence", expenses incurred
16 for property acquisition, development, site preparation other
17 than demolition, surveys, architectural and engineering services
18 and construction and all other necessary and incidental expenses
19 incurred for constructing a new market rate residence, which is
20 or will be owner-occupied, which is not replacing a national
21 register listed or local historic structure; except that, costs
22 paid for by the taxpayer with grants or forgivable loans, other
23 than tax credits, provided pursuant to state or federal
24 governmental programs are ineligible;

1 (5) "Eligible costs for rehabilitation", expenses incurred
2 for the renovation or rehabilitation of an existing residence
3 including site preparation, surveys, architectural and
4 engineering services, construction, modification, expansion,
5 remodeling, structural alteration, replacements and alterations;
6 except that, costs paid for by the taxpayer with grants or
7 forgivable loans other than tax credits provided pursuant to
8 state or federal governmental programs are ineligible;

9 (6) "Eligible residence", a single-family residence or a
10 condominium or residence within a multiple residential structure
11 or a structure containing multiple single-family residences forty
12 years of age or older, located in this state and not within a
13 distressed community as defined by section 135.530, which is
14 occupied or intended to be or occupied long-term by the owner or
15 offered for sale at market rate for owner-occupancy and which is
16 either located within a United States census block group which,
17 if in a metropolitan statistical area, has a median household
18 income of less than ninety percent, but greater than or equal to
19 seventy percent of the median household income for the
20 metropolitan statistical area in which the census block group is
21 located, or which, if located within a United States census block
22 group in a [nonmetropolitan] county that is not located in a
23 metropolitan statistical area, has a median household income of
24 less than ninety percent, but greater than or equal to seventy

1 percent of the median household income for [the nonmetropolitan
2 areas in the state] all counties not located within a
3 metropolitan statistical area;

4 (7) "Flood plain", any land or area susceptible to being
5 inundated by water from any source or located in a one
6 hundred-year flood plain area determined by Federal Emergency
7 Management Agency mapping as subject to flooding;

8 (8) "New residence", a residence constructed on land which
9 if located within a distressed community has either been vacant
10 for at least two years or is or was occupied by a structure which
11 has been condemned by the local entity in which the structure is
12 located or which, if located outside of a distressed community
13 but within a census block group as described in subdivision (6)
14 or (10) of this section, either replaces a residence forty years
15 of age or older demolished for purposes of constructing a
16 replacement residence, or which is constructed on vacant property
17 which has been classified for not less than forty continuous
18 years as residential or utility, commercial, railroad or other
19 real property pursuant to article X, section 4(b) of the Missouri
20 Constitution, as defined in section 137.016, RSMo; except that,
21 no new residence shall be constructed in a flood plain or on
22 property used for agricultural purposes except as otherwise
23 provided herein. [In a distressed community,] The term "new
24 residence" shall include condominiums, owner-occupied units or

1 other units intended to be owner-occupied in multiple unit
2 structures or as separate adjacent single-family units;

3 (9) "Project", new construction, rehabilitation or
4 substantial rehabilitation of a residence or residences, whether
5 comprised of one structure containing multiple single-family
6 residences or multiple individual structures that [qualifies]
7 qualify for a tax credit pursuant to sections 135.475 to 135.487;

8 (10) "Qualifying residence", a single-family residence,
9 forty years of age or older, located in this state which is
10 occupied or intended to be occupied long-term by the owner or
11 offered for sale at market rate for owner-occupancy and which is
12 either located within a United States census block group which,
13 if in a metropolitan statistical area [or nonmetropolitan
14 statistical area within a United States census block group which
15 has a median household income of less than seventy percent of the
16 median household income for the metropolitan statistical area or
17 nonmetropolitan area, respectively], has a median household
18 income of less than seventy percent of the median household
19 income for the metropolitan statistical area in which the census
20 block group is located, or which, if located within a United
21 States census block group that is located in a county that is not
22 located in a metropolitan statistical area, has a median
23 household income of less than seventy percent of the median
24 household income for all counties not located within a

1 metropolitan statistical area or which is located within a
2 distressed community. A qualifying residence shall include a
3 condominium or residence within a multiple residential structure
4 or a structure containing multiple single-family residences which
5 is located within a distressed community;

6 (11) "Substantial rehabilitation", rehabilitation the costs
7 of which exceed fifty percent of either the purchase price or the
8 cost basis of the structure immediately prior to rehabilitation;
9 provided that, the structure is at least fifty years old
10 notwithstanding any provision of sections 135.475 to 135.487 to
11 the contrary;

12 (12) "Tax liability", the tax due pursuant to chapter 143,
13 147 or 148, RSMo, other than taxes withheld pursuant to sections
14 143.191 to 143.265, RSMo;

15 (13) "Taxpayer", any person, partnership, corporation,
16 trust or limited liability company.

17 135.481. 1. (1) Any taxpayer who incurs eligible costs
18 for a new residence located in a distressed community or within a
19 census block group as described in subdivision (6) or (10) of
20 section 135.478, or for a multiple unit condominium described in
21 subdivision (2) of this subsection, shall receive a tax credit
22 equal to [fifteen] twenty percent of such costs against his or
23 her tax liability. The tax credit shall not exceed forty
24 thousand dollars per new residence in any ten-year period.

1 (2) For the purposes of this section, a "multiple unit
2 condominium" is one that is intended to be owner occupied, which
3 is constructed on property subject to an industrial development
4 contract as defined in section 100.310, RSMo, and which lies
5 within an area with a city zoning classification of urban
6 redevelopment district established after January 1, 2000, and
7 before December 31, 2001, and which is constructed in connection
8 with the qualified rehabilitation of a structure more than ninety
9 years old eligible for the historic structures rehabilitation tax
10 credit described in sections 253.545 to 253.559, RSMo, and is
11 under way by January 1, 2000, and completed by January 1, 2002.

12 2. [Any taxpayer who incurs eligible costs for a new
13 residence located within a census block as described in
14 subdivision (6) of section 135.478 shall receive a tax credit
15 equal to fifteen percent of such costs against his or her tax
16 liability. The tax credit shall not exceed twenty-five thousand
17 dollars per new residence in any ten-year period.

18 3.] Any taxpayer who is not performing substantial
19 rehabilitation and who incurs eligible costs for rehabilitation
20 of an eligible residence or a qualifying residence shall receive
21 a tax credit equal to twenty-five percent of such costs against
22 his or her tax liability. The minimum eligible costs for
23 rehabilitation of an eligible residence shall be ten thousand
24 dollars. The minimum eligible costs for rehabilitation of a

1 qualifying residence shall be five thousand dollars. The tax
2 credit shall not exceed twenty-five thousand dollars in any
3 ten-year period.

4 [4.] 3. Any taxpayer who incurs eligible costs for
5 substantial rehabilitation of a qualifying residence shall
6 receive a tax credit equal to thirty-five percent of such costs
7 against his or her tax liability. The minimum eligible costs for
8 substantial rehabilitation of a qualifying residence shall be ten
9 thousand dollars. The tax credit shall not exceed seventy
10 thousand dollars in any ten-year period.

11 [5.] 4. A taxpayer shall be eligible to receive tax credits
12 for new construction or rehabilitation pursuant to only one
13 subsection of this section.

14 [6.] 5. No tax credit shall be issued pursuant to this
15 section for any structure which is in violation of any municipal
16 or county property, maintenance or zoning code.

17 [7.] 6. No tax credit shall be issued pursuant to sections
18 135.475 to 135.487 for the construction or rehabilitation of
19 rental property.

20 135.484. 1. Beginning January 1, 2000, tax credits shall
21 be allowed pursuant to section 135.481 in an amount not to exceed
22 sixteen million dollars per year. Of this total amount of tax
23 credits in any given year, eight million dollars shall be set
24 aside for projects in areas described in subdivision (6) of

1 section 135.478 and eight million dollars for projects in areas
2 described in subdivision (10) of section 135.478. The maximum
3 tax credit for a project consisting of multiple-unit qualifying
4 residences in a distressed community and commenced before August
5 28, 2002, shall not exceed three million dollars, and the maximum
6 tax credit for a project consisting of multiple-unit qualifying
7 residences and commenced on or after August 28, 2002, shall not
8 exceed one million five hundred thousand dollars. If, by October
9 first of any calendar year, the director has issued all eight
10 million dollars of tax credits allowed for projects in areas
11 described in subdivision (6) of section 135.478, but not for
12 projects in areas described in subdivision (10) of section
13 135.478, or vice versa, the director shall reallocate seventy
14 percent of any credits not allocated to finally approved
15 applications for issuance to taxpayers which:

16 (1) Are engaged in projects in the area in which tax
17 credits totaling eight million dollars have already been issued
18 for the same year; and

19 (2) Have already applied for, but have not yet been issued,
20 tax credits pursuant to section 135.487 for the same year.

21 Reallocated credits shall be issued pursuant to section 135.487;
22 except that, the maximum reallocated tax credit for any project
23 shall not exceed five hundred thousand dollars.

1 2. Any amount of credit which exceeds the tax liability of
2 a taxpayer for the tax year in which the credit is first claimed
3 may be carried back to any of the taxpayer's three prior tax
4 years and carried forward to any of the taxpayer's five
5 subsequent tax years. A certificate of tax credit issued to a
6 taxpayer by the department may be assigned, transferred, sold or
7 otherwise conveyed. Whenever a certificate of tax credit is
8 assigned, transferred, sold or otherwise conveyed, a notarized
9 endorsement shall be filed with the department specifying the
10 name and address of the new owner of the tax credit and the value
11 of the credit.

12 3. The tax credits allowed pursuant to sections 135.475 to
13 135.487 may not be claimed in addition to any other state tax
14 credits, with the exception of the historic structures
15 rehabilitation tax credit authorized pursuant to sections 253.545
16 to 253.559, RSMo, which insofar as sections 135.475 to 135.487
17 are concerned may be claimed only in conjunction with the tax
18 credit allowed pursuant to subsection [4] 3 of section 135.481.
19 In order for a taxpayer eligible for the historic structures
20 rehabilitation tax credit to claim the tax credit allowed
21 pursuant to subsection [4] 3 of section 135.481, the taxpayer
22 must comply with the requirements of sections 253.545 to 253.559,
23 RSMo, and in such cases, the amount of the tax credit pursuant to
24 subsection [4] 3 of section 135.481 shall be limited to the

1 lesser of twenty percent of the taxpayer's eligible costs or
2 forty thousand dollars.

3 135.487. 1. To obtain any credit allowed pursuant to
4 sections 135.475 to 135.487, a taxpayer shall submit to the
5 department, for preliminary approval, an application for tax
6 credit. The director shall, upon final approval of an
7 application and presentation of acceptable proof of substantial
8 completion of construction, issue the taxpayer a certificate of
9 tax credit. In the case of projects involving the new
10 construction, rehabilitation or substantial rehabilitation of
11 more than one residence, one application for tax credit may be
12 submitted to the department for preliminary approval for the
13 entire project, and the director shall issue the taxpayer a
14 certificate of tax credit upon final approval of an application
15 and presentation of acceptable proof of substantial completion of
16 construction for each individual residence rather than delaying
17 issuance of a tax credit pursuant to sections 135.475 to 135.487
18 until substantial completion of the entire project. The director
19 shall issue all credits allowed pursuant to sections 135.475 to
20 135.487 in the order the applications are received. In the case
21 of a taxpayer other than an owner-occupant, the director shall
22 not delay the issuance of a tax credit pursuant to sections
23 135.475 to 135.487 until the sale of a residence at market rate
24 for owner-occupancy. A taxpayer, taxpayer other than an

1 owner-occupant who receives a certificate of tax credit pursuant
2 to sections 135.475 to 135.487 shall, within thirty days of the
3 date of the sale of a residence, furnish to the director
4 satisfactory proof that such residence was sold at market rate
5 for owner-occupancy. If the director reasonably determines that
6 a residence was not in good faith intended for long-term owner
7 occupancy, the director make revoke any tax credits issued and
8 seek recovery of any tax credits issued pursuant to section
9 620.017, RSMo.

10 2. The department may cooperate with a municipality or a
11 county in which a project is located to help identify the
12 location of the project, the type and eligibility of the project,
13 the estimated cost of the project and the completion date of the
14 project.

15 3. The department may promulgate such rules or regulations
16 or issue administrative guidelines as are necessary to administer
17 the provisions of sections 135.475 to 135.487. No rule or
18 portion of a rule promulgated pursuant to the authority of this
19 section shall become effective unless it has been promulgated
20 pursuant to the provisions of chapter 536, RSMo.

21 4. The department shall conduct annually a comprehensive
22 program evaluation illustrating where the tax credits allowed
23 pursuant to sections 135.475 to 135.487 are being utilized,
24 explaining the economic impact of such program and making

1 recommendations on appropriate program modifications to ensure
2 the program's success.

3 135.530. For the purposes of sections 100.010, 100.710 and
4 100.850, RSMo, sections 135.110, 135.200, 135.258, 135.313,
5 135.403, 135.405, 135.503, 135.530 and 135.545, section 215.030,
6 RSMo, sections 348.300 and 348.302, RSMo, and sections 620.1400
7 to 620.1460, RSMo, "distressed community" means either a Missouri
8 municipality within a metropolitan statistical area which has a
9 median household income of under seventy percent of the median
10 household income for the metropolitan statistical area, according
11 to the last decennial census, or a United States census block
12 group or contiguous group of block groups within a metropolitan
13 statistical area which has a population of at least [two
14 thousand] five hundred, and each block group having a median
15 household income of under seventy percent of the median household
16 income for the metropolitan area in Missouri, according to the
17 last decennial census. In addition the definition shall include
18 municipalities not in a metropolitan statistical area, with a
19 median household income of under seventy percent of the median
20 household income for the nonmetropolitan areas in Missouri
21 according to the last decennial census or a census block group or
22 contiguous group of block groups which has a population of at
23 least two thousand five hundred each block group having a median
24 household income of under seventy percent of the median household

1 income for the nonmetropolitan areas of Missouri, according to
2 the last decennial census. In metropolitan statistical areas,
3 the definition shall include areas that are designated as either
4 a federal empowerment zone; or a federal enhanced enterprise
5 community; or a state enterprise zone that was originally
6 designated before January 1, 1986, but will not include
7 expansions of such state enterprise zones done after March 16,
8 1988.